Months (Average of weeks)	Annual inflation (%) (All commodities)				Annual Inflation (%) (30 Essential commodities)			
	2004-05	2005-06	2006-07	2007-08	2004-05	2005-06	2006-07	2007-08
Jul.	7.6	4.3	4.8	4.7	4.8	4.3	5.4	2.8
Aug.	8.5	3.7	5.1	4.1	4.8	4.2	5.3	2.7
Sep.	7.9	4.1	5.4	3.5	5.9	3.3	7.2	1.2
Oct.	7.3	4.7	5.5	3.1	5.3	4.0	7.7	0.6
Nov.	7.5	4.2	5.5	3.3	5.0	5.2	6.6	0.7
Dec.	6.8	4.4	5.7	3.8	5.3	4.6	6.4	1.3
Jan.	5.5	4.1	6.4	4.5	6.1	3.9	5.1	2.7
Feb.	5.0	4.0	6.4	4.6	3.9	5.1	4.2	2.9
Mar.	5.4	3.9	6.6	6.4	3.7	5.7	3.4	5.2

P: Provisional

(d) Containment of inflation remains high on the agenda of the Government. Anti-inflationary policies of the government include strict fiscal discipline, rationalization of duties of essential items, effective supply-demand management of essential commodities through liberal tariff and trade policies and procurement through public sector agencies. The Monetary policy of Reserve Bank of India, while being conducive to economic growth, has attempted to contain inflationary expectations arising out of uncertainties in domestic and international environment.

Farmers in clutches of money lenders

†2383. SHRI RAM JETHMALANI: Will the Minister of FINANCE be pleased to state:

(a) whether Government has formulated a draft of any scheme to bring out the farmers of the country, who are in debt, from the clutches of money lenders of private sector;

(b) if so, the details thereof;

(c) if not, whether any committee has been set up to formulate the same; and

(d) if so, the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) The Government of India had announced a Farm Credit Package on 18.06.2004 to double the farm credit in three years time and to mitigate the hardships being faced by the farming community of the country. The farm credit package, *inter alia,* included relief measures for farmers indebted to non-institutional lenders including money lenders by providing them loans from banks against appropriate collateral or group security.

(c) and (d) Considering the high indebetendness to money lenders as an important reason for the distress amongst farmers, the Reserve Bank, in May 2006, constituted a Technical

† Original notice of the question was received in Hindi.

Group under the chairmanship of Shri S.C. Gupta, Legal Adviser-in-Charge, Reserve Bank of India to review the efficacy of the existing legislative framework that governs money lending as also the enforcement machinery in different State and make recommendations for its improvement. The model legislation proposed by the Technical Group, *inter-alia,* provides for the following:

* a simple and hassle free procedure for compulsory registration and periodical renewal of their registration by money lenders;
* a simplified dispute resolution mechanism to ensure better enforcement;
* adoption of the rule of 'Damdupat', *i.e.* the interest charged should not exceed the Principal.

The Report of the Group has been submitted and is placed on the website of RBI for comments of the stakeholders.

Smuggling of sandal wood to China

2384. SHRI SHREEGOPAL VYAS: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that sandal wood has been smuggled to China *via* Nepal;

(b) if so, whether any investigation has been done; and

(c) if not, what action has been taken?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) No such case of smuggling of Sandal Wood has been detected. However there have been number of cases of seizures of Red Sander wood being smuggled to Nepal. The details for the last three years are as below:—

Year	No. of seizure cases	Qty. (in Kgs)	Value of seized goods (Rs. in Lakhs)
2005-06	1	25506.6	89.27
2006-07	8	73275.0	255.45
2007-08 (upto Mar. 08)	7	59144.5	479.37

The intelligence reports also indicate that the Red Sanders Wood are being smuggled to China *via* Nepal.

(c) The filed formations including Directorate of Revenue Intelligence have been directed to be alert and vigilant to thwart any attempt of smuggling of Sandal Wood/Red Sanders wood from India to Nepal.

Extension of benefits of insurance facilities to general public

†2385. SHRI RAJ MOHINDER SINGH MAJITHA:

SHRI RAM JETHMALINI:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that majority of Indian citizens do not have access to the benefits of insurance facility;

† Original notice of the question was received in Hindi.